

GIFT OPPORTUNITIES

There are many opportunities for giving with the Montgomery County Community Foundation:

Cash: Cash is the easiest way to contribute and may qualify for maximum allowable income tax deductions.

Appreciated Securities: If securities are highly appreciated, a charitable contribution of them may allow the donor to deduct the full fair market value and thus avoid capital gains tax on the appreciation.

Real Estate: Real estate may be given at appraised value, with prior Foundation approval and acceptance, so that the donor can receive a full charitable deduction and avoid capital gains taxes. In most cases, real estate will be liquidated.

Life Insurance: Life insurance can be used to create a major gift at relatively low cost to the donor. If the Foundation is named owner or beneficiary of a new or existing policy, the donor receives a tax deduction. Additional premium paid through the Foundation are tax deductible, and proceeds pass to charity, free of estate tax.

Including the Foundation in your Will or Living Trust: A bequest of cash, securities or real estate can significantly reduce the taxes otherwise payable by your estate. Your heirs benefit and, if a Fund is established, your good work in the community will continue permanently in your name, a living symbol of your charitable intentions.

Retirement Plan Assets: A donor can use retirement plans assets to create a fund within the Montgomery County Community Foundation or to make a charitable contribution to minimize taxes owed in an estate plan.

Transfer of Existing Private Foundation: Administering a private foundation under IRS rules can be burdensome and expensive. The Foundation can provide professional and cost-effective ways of administering these funds well into the future.



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There are Ways to Give and Receive and Income:

Gift Annuities: The Montgomery County Community Foundation can offer competitive rates to donors wishing to make a charitable contribution but retain a lifetime income. A portion of these gifts may be tax-deductible and the income is guaranteed. For more information and a detailed profile that fits your situation, please contact us at 765-362-1267.

Charitable Remainder Trust: Deferred gifts may be created so that you or someone you love can receive a lifetime income. At the death of the first beneficiary, the remainder of the trust passes to the purposes the donor has specified. These trusts provide current income tax deductions and/or estate tax deductions.

Other Ways to Make a Charitable Gift to Reduce Taxes:

Charitable Lead Trust: Many individuals with sizable estates wish to take care of their children and grandchildren. However, they worry about the effect of estate taxes on the size of their loved ones' inheritance. Setting up a Charitable Lead Trust can take care of charitable interest as well as family.

You can donate part of your estate to a trust now with the income going to charity for a designated number of years. When the trust ends, the assets are passed on to designated beneficiaries, thereby reducing estate taxes. Support is given to the charity during all the in-between years, and beneficiaries receive much more than they would have otherwise. Certain lead trusts also make it possible to pass value to future generations at greatly reduced tax levels.

Corporate Giving: Often companies would rather use the Montgomery County Community Foundation to handle their corporate giving to the community. The Foundation can establish a nonpermanent Pass Through Fund to direct grants to worthwhile community efforts that might not otherwise qualify for a corporate gift. An endowment Fund can also be established if a company would like to establish a Donor Advised Fund providing an income stream to meet community needs on an annual basis.

Memorial/Honorary Gifts: Donations may be made to any of the many funds already existing or a new fund may be established in memory of an individual who has passed away or in honor of a special event or occasion.

Clients expect professional advisors to suggest charitable opportunities . . .or they might assume it is not an option.